

KAY COUNTY PUBLIC BUILDINGS AUTHORITY

ANNUAL FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2022 AND 2021

KAY COUNTY PUBLIC BUILDINGS AUTHORITY
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YEARS ENDED JUNE 30, 2022 AND 2021

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Independent Auditor's Report

To the Trustees of
Kay County Public Buildings Authority

Opinions

We have audited the accompanying financial statements of Kay County Public Buildings Authority which comprise the statements of assets, liabilities and net position as of June 30, 2022 and 2021 and the related statements of revenues and expenses and changes in net position and of cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above, present fairly, in all material respects, the net position of the Kay County Public Buildings Authority as of June 30, 2022 and 2021, and the changes in net position and its cash flows for the years then ended in accordance with the modified cash basis of accounting.

Basis of Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Kay County Public Buildings Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Kay County Public Buildings Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Kay County Public Buildings Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Kay County Public Buildings Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information:

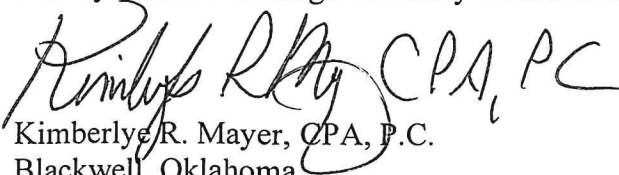
Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements that describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated February 6, 2023 on our consideration of the Kay County Public Buildings Authority's internal control over financial reporting and on our tests of its compliance with certain laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Kay County Public Buildings Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Kay County Public Buildings Authority's internal control over financial reporting and compliance.

 CPA, P.C.
Kimberly R. Mayer, CPA, P.C.
Blackwell, Oklahoma
February 6, 2023

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Trustees of
Kay County Public Buildings Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Kay County Public Buildings Authority as of and for the year ended June 30, 2022, and the related notes to the financial statements and have issued our report thereon dated February 6, 2023. The financial statements were prepared on the modified cash basis of accounting which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Kay County Public Buildings Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Kay County Public Buildings Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Kay County Public Buildings Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of control deficiencies, in internal control that there is reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraphs and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

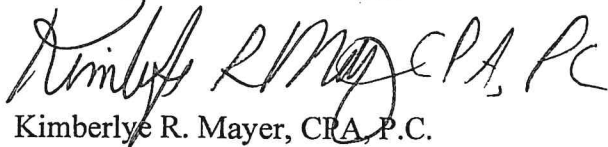
Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Kay County Public Buildings Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the financial statements. However,

providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "Kimberlye R. Mayer, CPA, P.C.", is written over the printed name.

Kimberlye R. Mayer, CPA, P.C.

Blackwell, Oklahoma

February 6, 2023

BASIC FINANCIAL STATEMENTS
AND
NOTES

KAY COUNTY PUBLIC BUILDINGS AUTHORITY
STATEMENTS OF NET POSITION
MODIFIED CASH BASIS
JUNE 30, 2022 AND 2021

ASSETS		<u>6/30/2022</u>	<u>6/30/2021</u>
Current Assets:			
Cash and cash equivalents:		\$ 781,016	\$ 886,137
Total Current Assets		<u>781,016</u>	<u>886,137</u>
Restricted Trustee Accounts:			
Series 2019 accounts		1,362,523	5,060,599
Series 2020 accounts		2,991,701	2,990,370
Series 2021 accounts		<u>2,057,760</u>	<u>8,050,969</u>
Total Trustee Accounts		6,411,984	8,050,969
Work in progress:			
Courthouse renovations (Note 6)		<u>9,107,013</u>	<u>4,796,120</u>
Total Assets		<u><u>\$ 16,300,013</u></u>	<u><u>\$ 13,733,226</u></u>

LIABILITIES AND NET POSITION

Liabilities:			
Current liabilities:			
Bonds payable (current portion) (Note 5)		\$ 1,060,000	\$ 865,000
Total Current Liabilities		<u>1,060,000</u>	<u>865,000</u>
Bonds payable (noncurrent portion) (net of bond discounts) (Note 5)		<u>12,196,597</u>	<u>11,245,728</u>
Total Liabilities		13,256,597	12,110,728
Net Position:			
Net investment in capital assets		(4,149,584)	(7,314,608)
Restricted for capital projects		6,411,984	8,050,969
Unrestricted		<u>781,016</u>	<u>886,137</u>
Total Net Position		<u>3,043,416</u>	<u>1,622,498</u>
Total Liabilities and Net Position		<u><u>\$ 16,300,013</u></u>	<u><u>\$ 13,733,226</u></u>

The accompanying report and notes are an integral part of these financial statements.

KAY COUNTY PUBLIC BUILDINGS AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION - MODIFIED CASH BASIS
YEARS ENDED JUNE 30, 2022 AND 2021

	<u>6/30/2022</u>	<u>6/30/2021</u>
Operating Revenues:		
Administrative fees	\$ 2,658	\$ 4,858
Sales and use tax	1,878,738	1,915,298
Audit fees reimbursed	4,366	
Rental payments		8,298
Total Operating Revenues	<u>1,885,762</u>	<u>1,928,454</u>
Operating Expenses:		
Professional & trustee fees	12,200	9,025
Building maintenance		6,860
Amortization expense	12,192	12,192
Interest expense	366,984	467,776
Bond issue costs	77,775	
Total Operating Expenses	<u>469,151</u>	<u>495,853</u>
Revenues over (under) expenses from operations	1,416,611	1,432,601
Non-Operating Revenues (Expenses)		
Interest income	4,307	2,376
Total Non-Operating Revenues (Expenses)	<u>4,307</u>	<u>2,376</u>
Revenues over (under) expenses before transfers	1,420,918	1,434,977
Transfers (to) from County	<u> </u>	<u> </u>
Changes in Net Position	1,420,918	1,434,977
Net Position, beginning of year	<u>1,622,498</u>	<u>187,521</u>
Net Position, end of year	<u><u>\$ 3,043,416</u></u>	<u><u>\$ 1,622,498</u></u>

The accompanying report and notes are an integral part of these financial statements.

KAY COUNTY PUBLIC BUILDINGS AUTHORITY
STATEMENTS OF CASH FLOWS
MODIFIED CASH BASIS
YEARS ENDED JUNE 30, 2022 AND 2021

	<u>6/30/2022</u>	<u>6/30/2021</u>
Cash Flows From Operating Activities:		
Cash received from customers	\$	\$
Other operating cash receipts	1,885,762	1,928,454
Cash payments to suppliers for goods and services	<u>(456,959)</u>	<u>(483,661)</u>
Net cash provided (used) by Operating Activities	1,428,803	1,444,793
Cash Flows From Non-Capital Financing Activities:		
Cash Flows From Capital And Related Financing Activities:		
Acquisition and construction of capital assets	(4,310,893)	(4,438,163)
New borrowings	2,083,677	
Principal payments	(950,000)	(745,000)
Interest payments		
Net cash provided (used) by Financing Activities	<u>(3,177,216)</u>	<u>(5,183,163)</u>
Cash Flows From Investing Activities:		
Interest on cash and investments	4,306	2,376
Change in due to (from)		
(Increase) decrease in reserve accounts	<u>1,638,986</u>	<u>4,425,705</u>
Net cash provided (used) by Investing Activities	<u>1,643,292</u>	<u>4,428,081</u>
Net increase (decrease) in cash and cash equivalents	(105,121)	689,711
Beginning cash and cash equivalents	886,137	196,426
Transfer in (out)		
Ending cash and cash equivalents	<u>\$ 781,016</u>	<u>\$ 886,137</u>
Reconciliation of income (loss) from operations to net cash provided (used) by operating activities:		
Income (Loss) from operations	1,416,611	1,432,601
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:		
Change in assets and liabilities:		
Amortization	12,192	12,192
Capital assets transferred to the County		
Retirement of notes payable		
Property equity transferred to the County		
Net cash provided (used) by operating activities	<u>\$ 1,428,803</u>	<u>\$ 1,444,793</u>

The accompanying report and notes are an integral part of these financial statements.

KAY COUNTY PUBLIC BUILDINGS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Financial Reporting Entity

The Kay County Public Buildings Authority, created on January 27, 1970 was originated under provisions of Title 60 of the Oklahoma Statutes, 1961, as amended, the Oklahoma Trust Act, and the laws of the State of Oklahoma. The Authority was created to furnish Kay County, Oklahoma with services and facilities, promote local industrial development, provide cultural and educational activities and facilities, and to assist in financing and constructing other facilities for the benefit of Kay County, Oklahoma. The Authority is empowered to borrow money and to pledge assets, properties and revenues as security against its borrowings. The Authority has no taxing power.

The Authority generally does not acquire any assets or incur any liability when it facilitates financing obligations for eligible entities. The Authority may earn and collect administrative fees and must be informed of the unpaid balances. The long-term debt note (Note 5) discloses the outstanding obligations which the Authority has facilitated.

Related Organizations

The Authority is a public trust and Kay County is the beneficiary. The elected Kay County Commissioners are also the Authority's trustees. Therefore, the Authority is considered to be a component unit of Kay County.

The accompanying financial statements include all functions and activities over which the Authority exercises financial accountability. The Authority is a component unit of the governmental entity of Kay County, Oklahoma. Kay County's financial information is not presented in these financial statements.

Basis of Presentation

The Authority's fund is an enterprise fund. Enterprise funds are proprietary funds used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focused on net income measurement similar to the private sector.

Measurement Focus and Basis of Accounting

Measurement focus refers to how transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied.

The Authority's financial statements use the modified cash basis of accounting. This basis recognizes assets, liabilities, net position, revenues and expenditures/expenses when they result from cash transactions with a provision for depreciation.

KAY COUNTY PUBLIC BUILDINGS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Net Position

Net position is divided into three components:

- a. *Net Investment in Capital Assets* – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributed to the acquisition, construction, or improvements of those assets.
- b. *Restricted Net Position* – Consists of net assets with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. *Unrestricted Net Position* – All other assets that do not meet the definition of “restricted” or “net investment in capital assets”.

It is the Authority’s policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

NOTE 2 – DEPOSITS, INVESTMENTS AND COLLATERAL:

A. Oklahoma State Law, Title 62, Section 348.1 allows for investment of funds in the following:

1. Direct obligations of the United States Government to the payment of which the full faith and credit of the Government of the United States or of this state is pledged.
2. Certificates of deposit of savings and loan associations, banks, trust companies when the certificates of deposit are secured by acceptable collateral as in the deposit of other public monies.
3. Savings accounts or savings certificates of savings and loan associations, banks and trust companies, to the extent that the accounts or certificates are fully insured by the Federal Savings and Loan Insurance Corporation or the Federal Deposit Insurance Corporation.
4. Public Trusts (Authorities) and Pension Trust Funds may invest in the above noted securities in addition to marketable equity securities.

Custodial credit risk is the risk that in the event of a bank failure, the Authority’s deposits may not be recovered. The Authority does not have a written policy for custodial risk. The Authority’s balances did not exceed the \$250,000 FDIC insurance level during the years ended June 30, 2022 and 2021.

NOTE 3 – CASH AND CASH EQUIVALENTS:

For the purpose of the statement of cash flows, the Authority considers all cash on hand, demand deposit accounts, interest bearing checking accounts and time deposit accounts including certificates of deposit with maturities of three months or less to be cash and cash equivalents.

KAY COUNTY PUBLIC BUILDINGS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 4 – FAIR VALUE OF FINANCIAL INSTRUMENTS:

The definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable.

Level 1: Quoted prices in active markets for identical securities.

Level 2: Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment spread and credit risk).

Level 3: Significant unobservable inputs (including the Authority's own assumptions in determining the fair value of investments).

The Authority's financial instruments include cash and cash equivalents. The Authority's estimate of the fair value of all financial instruments does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of net position. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

NOTE 5 – LONG-TERM DEBT:

On October 8, 2019, the voters of Kay County approved a special county sales tax to be used for a courthouse reconstruction and expansion project. To fund this project, the Authority issued series 2019, 2020 and 2021 sales tax revenue bonds. These bonds are special limited obligations of the Authority payable from and secured by certain sales tax revenues collected by the County and pledged to the Authority. The following is a detail of the sales tax revenue bonds:

	<u>Series</u>		
	<u>2019</u>	<u>2020</u>	<u>2021</u>
Bonds issued	\$ 9,965,000	\$ 3,035,000	\$ 2,055,000
Final maturity date	4/1/2033	4/1/2033	4/1/2033
Bonds payable at 6/30/2021	\$ 9,395,000	\$ 2,860,000	\$
Bonds issued			\$ 2,055,000
Bonds redeemed	<u>\$ 665,000</u>	<u>\$ 200,000</u>	<u>\$ 85,000</u>
Bonds payable 6/30/2022	<u>\$ 8,730,000</u>	<u>\$ 2,660,000</u>	<u>\$ 1,970,000</u>

KAY COUNTY PUBLIC BUILDINGS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 5 - LONG-TERM DEBT (continued):

The Authority has set up accounts with a trustee bank as required by the bond indentures. The Authority makes monthly debt service payments to the trustee bank for the interest and the principal payments due on the bonds. Interest on the bonds is payable semiannually on October 1 and April 1 until maturity or earlier redemption. The bonds mature on April 1st of each year. The following is a schedule of the outstanding debt service requirements for the 2019, 2020 and 2021 sales tax revenue bonds:

<u>Date Due</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
04/01/23	\$ 1,060,000	\$ 349,944	\$ 1,409,944
04/01/24	1,100,000	310,743	1,410,743
04/01/25	1,125,000	286,394	1,411,394
04/01/26	1,150,000	261,494	1,411,494
04/01/27	1,180,000	234,818	1,414,818
04/01/28	1,210,000	206,193	1,416,193
04/01/29	1,240,000	176,843	1,416,843
04/01/30	1,275,000	145,450	1,420,450
04/01/31	1,305,000	110,456	1,415,456
04/01/32	1,335,000	74,600	1,409,600
04/01/33	1,380,000	37,927	1,417,927
Bond discount/premium	(103,403)		
	<u>\$ 13,256,597</u>	<u>\$ 2,194,862</u>	<u>\$ 15,554,862</u>

Conduit Debt

The Kay County Public Building Authority has the following conduit debt outstanding at June 30, 2022:

	<u>Original Issue</u>	<u>Outstanding 6/30/22</u>
Lease Revenue Bonds:		
Tonkawa Independent School		
District No. 87 (2012)	\$ 4,340,000	\$ 545,000
Ponca City Independent School		
District No.71 (2022)	\$ 31,120,000	\$ 31,120,000
Lease Revenue Note:		
Elementary School District No. C-77	\$ 1,400,000	\$ 730,000
Osage County, OK		

KAY COUNTY PUBLIC BUILDINGS AUTHORITY
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2022 AND 2021

NOTE 5 – LONG-TERM DEBT (continued):

Conduit debt is debt that is considered non-commitment debt to the Authority since debt payments are made solely by the School Districts. Payments are made directly by these schools to the trustee banks. In the event of default by the schools, the Authority has no obligation in substance to make any payments on the debt since the lease receivable and the financing agreements on the property with the schools are the only security for the debt. As a result of the non-commitment determination, the Authority's indebtedness and related receivables from the schools are not recorded in the financial statements.

NOTE 6 – COURTHOUSE RENOVATIONS IN PROGRESS:

During the fiscal year ended June 30, 2022, construction began on the courthouse renovations. The amount of the expenditures during fiscal year ended June 30, 2022 was \$4,310,893. The total expenditures at June 30, 2022 is \$9,107,013.

NOTE 7 – ESTIMATES:

The preparation of financial statements in conformity with the modified cash basis requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

NOTE 8 – RISK MANAGEMENT:

The Authority is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets, errors and omissions. The Authority manages this risk through the County's commercial insurance policies. Claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. There were no claims during the years ended June 30, 2022 and 2021.

NOTE 9 – CONCENTRATIONS AND CONTINGENCIES:

The Authority is not involved with any legal proceedings, which normally occur in the course of governmental operations, at this time. While legal proceedings cannot be foreseen, the Authority feels that any settlement or judgment would not have a material effect on the financial condition of the Authority.

NOTE 10 – EVALUATION OF SUBSEQUENT EVENTS:

The Authority has evaluated subsequent events through February 6, 2023 the date which the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

KAY COUNTY PUBLIC BUILDINGS AUTHORITY
COMBINING STATEMENTS OF NET POSITION - MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2022

	Sales Tax Revenue Bonds Series 2019	Sales Tax Revenue Bonds Series 2020	Sales Tax Revenue Bonds Series 2021	Gross Revenue Funds	MMDA Account	Total Governmental Funds
ASSETS:						
Current Assets:						
Cash and cash equivalents	\$	\$	\$	\$ 696,582	\$ 84,434	\$ 781,016
Debt service accounts	1,362,523	2,991,701	2,057,760			6,411,984
Capital assets:						
Construction in progress	8,494,485			610,116	2,412	9,107,013
Total Assets	<u>\$ 9,857,008</u>	<u>\$ 2,991,701</u>	<u>\$ 2,057,760</u>	<u>\$ 1,306,698</u>	<u>\$ 86,846</u>	<u>\$ 16,300,013</u>
LIABILITIES:						
Current Liabilities:						
Revenue bonds payable (current portion) (Note 5)	690,000	210,000	160,000			1,060,000
Total Current Liabilities	<u>690,000</u>	<u>210,000</u>	<u>160,000</u>			<u>1,060,000</u>
Revenue bonds payable (noncurrent portion) (Note 5)	7,938,860	2,419,060	1,838,677			12,196,597
Total Liabilities	<u>8,628,860</u>	<u>2,629,060</u>	<u>1,998,677</u>			<u>13,256,597</u>
NET POSITION:						
Net investment in capital assets	(134,375)	(2,629,060)	(1,998,677)	610,116	2,412	(4,149,584)
Restricted for debt service	1,362,523	2,991,701	2,057,760			6,411,984
Unrestricted				696,582	84,434	781,016
Total Net Position	<u>1,228,148</u>	<u>362,641</u>	<u>59,083</u>	<u>1,306,698</u>	<u>86,846</u>	<u>3,043,416</u>
Total Liabilities and Net Posit	<u>\$ 9,857,008</u>	<u>\$ 2,991,701</u>	<u>\$ 2,057,760</u>	<u>\$ 1,306,698</u>	<u>\$ 86,846</u>	<u>\$ 16,300,013</u>

KAY COUNTY PUBLIC BUILDINGS AUTHORITY
COMBINING STATEMENTS OF ACTIVITIES - MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2022

	Sales Tax Revenue Bonds Series 2019	Sales Tax Revenue Bonds Series 2020	Sales Tax Revenue Bonds Series 2021	Gross Revenue Funds	MMDA Account	Total Governmental Funds
Revenues:						
Sales and use tax	\$	\$	\$	\$ 1,878,738	\$	\$ 1,878,738
Administration fees					2,658	2,658
Audit fees reimbursed					4,366	4,366
Interest and dividends						
Total Revenues	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 1,878,738</u>	<u>\$ 7,024</u>	<u>\$ 1,885,762</u>
Expenses:						
Professional fees					5,575	5,575
Trustee fees	2,500	1,500	2,625			6,625
Bond issuance costs			77,775			77,775
Interest expense	264,631	80,512	21,841			366,984
Amortization of deferred charges	9,336	2,856				12,192
Total Expenses	<u>276,467</u>	<u>84,868</u>	<u>102,241</u>		<u>5,575</u>	<u>469,151</u>
Revenues Over (Under) Expenses	(276,467)	(84,868)	(102,241)	1,878,738	1,449	1,416,611
Non-operating Revenues (Expenses)						
Interest income	689	831	1,249	1,406	132	4,307
Transfer in (out)	931,731	282,512	160,075	(1,374,318)		
Changes in Net Position	<u>655,953</u>	<u>198,475</u>	<u>59,083</u>	<u>505,826</u>	<u>1,581</u>	<u>1,420,918</u>
Net Position, beginning of year	<u>572,195</u>	<u>164,166</u>		<u>800,872</u>	<u>85,265</u>	<u>1,622,498</u>
Net Position, end of year	<u>\$ 1,228,148</u>	<u>\$ 362,641</u>	<u>\$ 59,083</u>	<u>\$ 1,306,698</u>	<u>\$ 86,846</u>	<u>\$ 3,043,416</u>

KAY COUNTY PUBLIC BUILDINGS AUTHORITY
COMBINING STATEMENTS OF CASH FLOWS - MODIFIED CASH BASIS
YEAR ENDED JUNE 30, 2022

	Sales Tax Revenue Bonds Series 2019	Sales Tax Revenue Bonds Series 2020	Sales Tax Revenue Bonds Series 2021	Gross Revenue Funds	MMDA Accounts	Total Governmental Funds
Cash Flows From Operating Activities:						
Other operating cash receipts	\$	\$	\$	1,878,738	7,024	\$ 1,885,762
Payments for expenses	(267,131)	(82,012)	(102,241)		(5,575)	(456,959)
Net cash provided (used) by Operating Activities	(267,131)	(82,012)	(102,241)	1,878,738	1,449	1,428,803
Cash Flows From Non-Capital Financing Activities:						
Cash Flows From Capital and Related Financing Activities:						
Construction costs	(3,698,365)			(610,116)	(2,412)	(4,310,893)
Bond proceeds			2,083,677			2,083,677
Debt service payments	(665,000)	(200,000)	(85,000)			(950,000)
Interest payments						0
Net cash provided (used) by Financing Activities	(4,363,365)	(200,000)	1,998,677	(610,116)	(2,412)	(3,177,216)
Cash Flows From Investing Activities:						
Change in debt service accounts	3,698,077	(1,331)	(2,057,760)			1,638,986
Interest and dividends	688	831	1,249	1,406	132	4,306
Net cash provided (used) by Investing Activities	3,698,765	(500)	(2,056,511)	1,406	132	1,643,292
Net increase (decrease) in cash and cash equivalents	(931,731)	(282,512)	(160,075)	1,270,028	(831)	(105,121)
Beginning cash and cash equivalents				800,872	85,265	886,137
Transfer in (out)	931,731	282,512	160,075	(1,374,318)		
Ending cash and cash equivalents	\$	\$	\$	696,582	\$ 84,434	\$ 781,016
Reconciliation of revenue (expenses) from operations to net cash provided (used) by operating activities:						
Revenues over (under) expenses	\$ (276,467)	\$ (84,868)	(102,241)	1,878,738	\$ 1,449	\$ 1,416,611
Adjustments to reconcile revenues (expenses) from operations to net cash provided (used) by operating activities:						
Amortization	9,336	2,856				12,192
Changes in assets and liabilities:						
(Increase) decrease in investments						
Net cash provided (used) by operating activities	\$ (267,131)	\$ (82,012)	(102,241)	1,878,738	\$ 1,449	\$ 1,428,803